

PINELLAS COUNTY TOURIST DEVELOPMENT COUNCIL

May 16, 2018

The Pinellas County Tourist Development Council (TDC), as created under Pinellas County Ordinance 78-20 pursuant to Section 125.0104, Florida Statutes, met in regular session in the Oldsmar Council Chamber, 101 State Street West, Second Floor, Oldsmar, Florida, on this date at 9:00 A.M. with the following members present:

Members Present

Kenneth T. Welch, BCC Chairman, Chair  
Russ Kimball, Sheraton Sand Key Resort, Vice-Chair  
Doug Bevis, City of Oldsmar Mayor  
Timothy Bogott, TradeWinds Island Resorts (late arrival)  
Jen Carlisle, Clearwater Marine Aquarium  
George Cretekos, City of Clearwater Mayor (late arrival)  
Charlie Gerdes, City of St. Petersburg Councilmember  
Phil Henderson, Jr., StarLite Cruises  
Joanne “Cookie” Kennedy, City of Indian Rocks Beach Mayor  
Trisha Rodriguez, Clearwater Ferry  
Anthony Satterfield, Alden Suites  
Eric Waltz, Sandpearl Resort

Others Present

David Downing, Visit St. Petersburg/Clearwater (VSPC) President and CEO  
Tim Ramsberger, Chief Operating Officer  
Leroy Bridges, Vice President, Digital and Communications  
Suzanne Hackman, Vice President, Business Development  
Liz McCann, Executive Administrative Assistant  
Teri Tuxhorn, Administrative Director  
Michael Zas, Managing Assistant County Attorney  
Other Interested Individuals  
Jenny Masinovsky, Board Reporter, Deputy Clerk

Agenda

- I. CALL TO ORDER/ROLL CALL – Chair Kenneth T. Welch
- II. CHAIR COMMENTS
- III. APPROVAL OF TDC MINUTES – Meeting of April 18, 2018
- IV. PUBLIC COMMENTS
- V. COUNTY ATTORNEY REPORT

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- VI. DISCUSSION OF CVB BUDGET FY 2019
- VII. VSPC CHIEF OPERATING OFFICER REPORT – Tim Ramsberger
- VIII. PRESENTATIONS
  - A. Veterans Reef Project – J.D. White
  - B. Miles Media – Nate Huff present on search engine optimization success
- IX. STAFF REPORTS
  - A. Advertising/Digital Media Updates/Expedia Winter Marketing Update – Leroy Bridges
  - \*All VSPC department reports on file at: [pinellascvb.com](http://pinellascvb.com)
- X. VSPC PRESIDENT AND CEO REPORT – David Downing
  - A. Tourism Economics Snapshot (Pinellas County Bed Tax)
    - i. March 2018
- XI. BOARD MEMBER COMMENTS
- XII. ADJOURNMENT

CALL TO ORDER/ROLL CALL

Chair Welch called the meeting to order at 9:00 A.M. He thanked Mayor Bevis for hosting the meeting at the Oldsmar Council Chamber, complementing the facility and noting that it was built on the foundation of an old historical building with Penny for Pinellas funds.

At the Chair’s request, those at the dais introduced themselves; whereupon, Mayor Bevis introduced the City of Oldsmar staff members present in the audience.

CHAIR COMMENTS – NONE

MINUTES OF THE APRIL 18, 2018 MEETING – DEFERRED

Chair Welch indicated that the April 18, 2018 minutes are not available at this time.

PUBLIC COMMENT – NONE

COUNTY ATTORNEY REPORT – NONE

## DISCUSSION OF CVB FISCAL YEAR 2019 BUDGET

Mr. Downing distributed the *Convention Visitors Bureau FY 2019 Budget* handout, a copy of which has been made a part of the record, indicating that it reflects the numbers reviewed at the May 3 TDC Budget Workshop. He commended representatives of the VSPC departments on their presentations of action plans and proposed budgets and thanked the members for their participation and discussion of the budget and related matters; whereupon, Mayor Bevis moved, seconded by Mayor Kennedy, that the Fiscal Year 2019 Budget be approved to be forwarded for consideration to the Board of County Commissioners (BCC), and upon call for the vote, the motion carried unanimously.

## VSPC CHIEF OPERATING OFFICER REPORT

Mr. Ramsberger related that a TDC workshop has been scheduled for June 20, noting that while the County Commissioners will be invited to attend, it will not be a joint TDC/BCC meeting; whereupon, Chair Welch confirmed the same, indicating that the Council needs to reach consensus on matters such as capital and elite event funding prior to a joint meeting, which could potentially take place in August.

Chair Welch noted that if it is ascertained that utilizing the bed tax revenue for transit is allowed by the legislation, Commissioner Long will present pertinent information at the upcoming workshop, and brief discussion ensued regarding the agenda.

## PRESENTATIONS

### Veterans Reef Project

Mr. Downing related that the organization established a great working relationship and friendship with Dr. Heyward Matthews when, several years ago, he tremendously helped to deflate media misrepresentation of the oil spill effect on the local beaches by shooting a series of underwater videos, which are used for promotion of the destination's reef system to this day.

Mr. Downing indicated that Dr. Matthews' idea of the Circle of Heroes at Veterans Reef project has gained traction; whereupon, he introduced Preston Rudie and J.D. White, former staff in the Office of Congressman David Jolly, and presently Congressman Jolly's colleagues at Brighter Future Florida, a nonprofit organization.

\* \* \* \*

Mr. Bogott entered the meeting at 9:08 A.M.

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Mr. Rudie related that Congressman Jolly, who was planning to discuss the project today, will be unable to attend the meeting; whereupon, he played a video and conducted a PowerPoint presentation titled *Circle of Heroes at Veterans Reef, May 16, 2018*, which has been made a part of the record, providing information regarding the project's background, vision, location, benefits, economic impact, progress to date and future timeline, budget, TDC funding request, and project team, highlighting the following:

- *The Circle of Heroes* would be the first diveable underwater public memorial dedicated to veterans of various demographics, eras, and branches of military. It would be located 10 miles off coast due west of Dunedin in 40 feet of water and consist of a circle of 24 life-sized statues.
- Thanks to support of Pinellas County Commissioners Janet Long and Kenneth Welch, earlier this year the County provided \$50,000 to launch the project to Brighter Future Florida, which is working on its realization. The County will be managing the project.
- The memorial would be beneficial with regard to tourism and economic development, honoring veterans and providing aquatic therapy for veterans with mental or physical challenges, and promoting education and marine science research. It would bring 84 jobs and generate \$7.4 million annually, with a \$2.7-million direct impact to the Pinellas County economy as a result of the wages, and would provide national media exposure for the destination's artificial reef diving attraction.
- The funding request to the TDC is \$425,000 to complete the project.
- The project should be completed by Memorial Day, 2019.
- One of the statues will commemorate General Norman Schwarzkopf because of his connection to the area, and there will be opportunities to memorialize individual veterans using military dog tags.

Chair Welch pointed out that the BCC considered the project to be a good investment; and that the \$50,000 it contributed was drawn from the British Petroleum Oil Spill settlement funds. Responding to query by Chair Welch regarding the Out of Cycle Request in the amount of

\$125,000, Mr. Rudie explained that the funding is needed in order to get Phase 1 of the project completed by November 11, Veterans Day, of this year; whereupon, he discussed the importance of involving the local arts community and additional opportunities relating to the project.

\* \* \* \*

Mayor Cretekos entered the meeting at 9:24 A.M.

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Responding to queries by Chair Welch, Attorney Zas referred to statute pertaining to allocation of bed tax dollars and indicated that while the project does not appear to qualify for funding under the category of capital projects, it may qualify under the category relating to promotions and advertising. Mr. Downing suggested that the project may also qualify for arts grant funding, and Attorney Zas agreed to the possibility.

During discussion and responding to queries by the members, Mr. Rudie indicated that he would provide results of the Fishkind study to the members and discussed the marketing value of the project, physical significance of the statues, working with the County to address concerns, phasing of the project, the possibility of a similar endeavor in south county, and the cost of the memorial maintenance, noting that it would be minimal.

Dr. Matthews provided input regarding the educational value that the memorial would carry in addition to honoring veterans and described the process of attaching the statues to the bottom of the Gulf of Mexico, assuring that they would be securely fastened to remain in place; and that the concrete used for the memorial has an indefinite lifetime in the ocean. He indicated that there will be mooring buoy signs at the memorial's location advising boaters not to drop anchors; that marine growth on the statues overtime will be a part of the attraction without making them unrecognizable and will have a positive environmental impact; and that the county's diving industry, which generated \$4 million in 2016, is expected to grow as a result of the attraction.

The members expressed their support of the project, citing the benefits that it would bring to the area. Mr. Kimball noted that the memorial may help justify keeping MacDill Air Force Base and the United States Central Command and provided information regarding upcoming local activities to honor Medal of Honor recipients, requesting that Mr. Downing be involved in the event; whereupon, Mr. Downing reiterated how various aspects of the project would benefit tourism, including a unique opportunity to maximize visibility of the local artificial reef system and a possibility to increase visitor numbers during the downtime in November due to Veterans Day.

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Chair Welch praised the underwater memorial concept and noted a consensus among the members, but stressed the importance of following the process in terms of placing the funding request on the agenda and a proper review by the County Attorney's Office and the BCC, including identifying the funding sources. He suggested that the item be placed on the agenda for action at the June 20 workshop; whereupon, Dr. Matthews and Mr. Rudie discussed the timing of the project, indicating that obtaining a decision regarding the Phase 1 funding in June would be beneficial.

Deviating from the agenda, Mr. Downing introduced the new VSPC Vice Presidents, Suzanne Hackman, Vice President of Business Development, and Leroy Bridges, Vice President of Digital and Communications; whereupon, Ms. Hackman and Mr. Bridges expressed appreciation for their new roles and the opportunities to advance VSPC.

### Miles Media

Mr. Bridges introduced Nate Huff, Senior Vice President of Miles Partnership, relating that the company is a leader in the tourism digital marketing industry. Mr. Huff conducted a PowerPoint presentation titled *Organic Search and Visit St. Pete/Clearwater*, which has been made a part of the record, discussing the following:

- Trends in organic search traffic to Destination Marketing Organization websites
- Search strategy evolution
- Organic search presence and activity in eight selected USA Convention and Visitors Bureau (CVB) websites representing CVBs and city destinations with ranging sizes and budgets
- Organic search performance analysis for desktop computers and mobile devices

Mr. Huff explained that "organic traffic" to a destination's CVB website is of major significance as it results in the greatest chance of the website visitor becoming a customer; and that despite recent technology and market trends causing a substantial decrease in organic traffic and thereby presenting a challenge to the tourism industry, VSPC has fared very well as compared with other destinations due to its commitment to an ongoing strategy.

Responding to queries by Chair Welch, Mr. Huff remarked on the role of Amazon in online space dominance and advertising and the effect of *net neutrality* on organic traffic; whereupon, in response to query by Mr. Henderson, he indicated that organic traffic volume generated by VSPC's competitors within the state is significantly lower than VSPC's.

During discussion, Councilmember Gerdes praised the work of the VSPC staff, indicating that visitor numbers are continuously growing; and that information shared by Mr. Huff should be

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forwarded to the Legislative Delegation as a testament to the efforts and talent of the VSPC staff, because the legislature is considering eliminating the statutes allowing CVBs. Responding to comments by Mayor Cretekos and Mr. Kimball relating to competition, Mr. Huff suggested providing the Delegation with information demonstrating visitor numbers rather than organic traffic, and Ms. Carlisle provided input. Chair Welch indicated that pursuant to a consensus among the members, he will work with staff on the correspondence to the Delegation, including a cover letter regarding VSPC activities and infographics to give a high level overview of the current visitor numbers without disclosing competitive information; whereupon, he suggested that Councilmember Gerdes draft the letter, and Councilmember Gerdes agreed.

Mr. Bridges indicated that Miles Partnership offers great expertise in evaluating and implementing data with regard to website content, and at the request of Mr. Downing, he discussed the importance of conducting the annual Website User and Conversion Study to determine the Return on Investment (ROI) of the VSPC website and track economic impact and growth from year to year. He related that the first study, conducted four years ago, revealed that economic impact attributable to the website content, as manifested through numbers of booked trips, amounted to tens of millions of dollars; and that website user surveys are a valuable tool utilized in the study.

Ms. Carlisle noted the importance of the study in understanding the economic impact resulting from resources and effort invested into the website, and Mr. Bridges indicated that he will provide copies of the most recent study to the members.

## REPORTS

### Advertising/Digital Media Updates/Expedia Winter Marketing Update

Referring to a PowerPoint presentation titled *Live the Beach*, which has been made a part of the record, Mr. Bridges provided information regarding the objectives and results of the Expedia marketing campaign launched during the winter in the United States, the United Kingdom, and Germany, noting that the campaign priority was to drive bookings, ensuring closing of the gap between digital marketing cost and the revenue generated from the bookings.

Mr. Bridges discussed various advantages of expanding the partnership with the Expedia booking platform given its magnitude, noting that 10 to 15 percent of all room nights in the county are booked through it; that in addition to the Expedia website itself, Expedia Group includes numerous other travel fare aggregator and metasearch engine websites, such as Hotels.com, Hotwire.com, CarRentals.com, CheapTickets, Travelocity, Orbitz, and others.

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Mr. Bridges provided examples of creative advertising techniques utilized in the campaign, including landing pages, splash photos, banner ads, and promotional emails, indicating that staff works closely with its European market representatives to ensure uniformity in digital marketing representation; that the campaign in the United Kingdom was entirely digital for the first time; and that a summer campaign that will be based on Expedia's marketing data is coming up in Germany.

Mr. Bridges explained the booking process, categories, and figures included in the table showing campaign results, and indicated that it was successful, yielding large returns on advertising spending, with the United States generating the most returns due to its market volume; whereupon, he discussed Expedia booking numbers for the first quarter of 2018, noting that they reflect year over year growth in room occupancy and average daily rate (ADR), particularly in the United Kingdom because of the advertising campaign.

In response to queries by the members, Mr. Bridges clarified that he plans to include more countries, such as Mexico, Argentina, and Canada, in the Expedia strategy, restating the importance of continuing the relationship with Expedia and noting that it offers a wide range of accommodation types; and that while the United States Expedia campaign is heavily focused on the East Coast, advertising resources may be added to other regions based on Expedia's booking data.

Mr. Downing provided input regarding the European market, indicating that there will be additional promotions taking place in the United Kingdom this summer; and that in the German market, VSPC has been adjusting its strategy to gradually decrease the number of tour operators it has utilized due to the consumer trend toward direct booking, noting that some tour operators have been producing very few room nights.

At the request of Mr. Downing, Mr. Bridges discussed the value of growing the relationship with Brand USA, indicating that it is the national Destination Marketing Organization that supports international visitation and provides an opportunity for VSPC to increase its investment by matching \$1.15 for every dollar spent; that starting next year, VSPC will be entirely in partnership with Brand USA; and that the integration process will be discussed at the upcoming international marketing summit.

VSPC PRESIDENT AND CEO REPORT

Tourism Economics Snapshot (Pinellas County Bed Tax) – March 2018

Referring to the *Tourism Economics Snapshot, May TDC Meeting*, and the Tourist Development Tax 2017-2018 comparative data sheet, which have been made a part of the record, Mr. Downing reviewed the data regarding rooms sold, average daily rate, and revenue per available room for March 2018 and year to date, indicating that the March numbers are strong; that data comparisons are valuable barometers of progress; and that revenue for March, which is the major month for tourism, has exceeded expectations with \$8.9 million in bed tax, up 14 percent for the month and 11.3 percent year to date as compared to last year. Mr. Downing noted that the success is attributed to the efforts of staff and the Council, and Mr. Bridges provided input, pointing out that total year to date revenue has already exceeded \$30 million.

Mr. Downing thanked Mayor Bevis for his hospitality and pointed out that VSPC is growing its advertising content to provide extensive coverage of all the county's municipalities. He presented promotional materials, including a 360-degree video featuring Oldsmar; a video prepared for the upcoming tourism week; the *Tampa Bay Times* promotional insert piece; and a Valpak direct mailer containing exclusively destination-related promotional flyers, indicating that almost 300,000 copies of the newspaper insert and 200,000 copies of the mailer have been distributed primarily to the key Florida markets. Additionally, he noted that approximately 180,000 copies of the *Gulf to Bay* destination magazine will be distributed as part of the summer promotion and discussed an upcoming unique opportunity to market VSPC on the Home Shopping Network.

Mr. Downing reported on the following:

- With assistance of Councilmember Gerdes, staff is planning to organize a meeting of the Council at the St. Petersburg City Hall toward the end of the year.
- Noting the value of the collective effort and input provided by the Council, Mr. Downing thanked the Council and staffs of VSPC, the Office of Management and Budget, and County Administration for their work with regard to the TDC budget.
- Positive feedback was received at the International Gay and Lesbian Travel Association annual convention in Toronto relating to contributions made by VSPC as the host of the last year's convention.

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- VSPC will participate in the upcoming U.S. Travel Association's IPW travel trade show (formerly titled "International Pow Wow"), the most important tourism promotion event of the year. The VSPC international representatives from Europe and Latin America will be present.

### MEMBER COMMENTS

Mr. Kimball announced that Clearwater Beach was named the number one beach in the country by TripAdvisor, and Chair Welch thanked Mr. Downing and his staff for their work, noting that it is reflected in the bed tax figures.

Councilmember Gerdes recognized and congratulated the business community members serving on the Council for their collaboration and common support in working for the benefit of the county rather than their own, noting that it is one of the reasons for the destination's success and expressing hope that it continues.

Mayor Bevis thanked the City of Oldsmar Clerk Ann Nixon and staff for their assistance in conducting today's meeting and provided information regarding the current photo exhibit "Remembering Florida's Fallen" to remember the state's fallen soldiers, which is hosted by the Curlew Hills Memorial and displayed at the Oldsmar Public Library.

Mayor Cretekos discussed the role of local hospitality in the success of the destination, noting that it is achieved through a collective effort.

Mr. Kimball reiterated the importance of partnerships and recommended that the members visit the Tom and Mary James Museum of Western & Wildlife Art, which has recently opened in St. Petersburg.

### ADJOURNMENT

The meeting was adjourned at 11:02 A.M.